

**§ 83-1-37. Municipal fire protection fund.**

- (1) The State Tax Commission shall pay for credit to a fund known as the "Municipal Fire Protection Fund," the sum of Four Million Six Hundred Thousand Dollars (\$4,600,000.00) annually out of the insurance premium tax collected annually from the taxes levied on the gross premiums on fire insurance policies written on properties in this state, under Sections 27-15-103 to 27-15-127. The State Treasurer shall credit this amount to the Municipal Fire Protection Fund. This fund shall be set aside and earmarked for payment to municipalities in this state, as hereinafter provided.
- (2) Using 1990 as a base year, the State Tax Commission shall pay over annually to the State Treasurer, for credit to the "Municipal Fire Protection Fund," an amount representing one-half of ten percent ( $\frac{1}{2}$  of 10%) of any growth after 1990 of the insurance premium tax collected annually from the taxes levied on the gross premium on fire insurance policies written on properties in this state, under Sections 27-15-103 to 27-15-127.
- (3) The fund hereby created and denominated "Municipal Fire Protection Fund" shall be apportioned and paid over by the Department of Insurance to the incorporated municipalities certified as eligible to participate in the fund by the Commissioner of Insurance, and shall be distributed once each year on a population basis, to be determined by the most recent federal census. Municipalities receiving these funds shall earmark such monies for fire protection services.
- (4) The amount paid under subsections (1) and (2) of this section to a municipality shall be used and expended solely for purposes connected with the improvement of the fire departments of the municipality.
- (5) Each municipality shall levy a tax of not less than one-fourth ( $\frac{1}{4}$ ) mill on all property of the municipality or appropriate the avails of not less than one-fourth ( $\frac{1}{4}$ ) mill from the municipality's general fund for fire protection purposes. Municipalities may allow such millage to be collected by the county. Each municipality shall annually provide the Commissioner of Insurance and the State Fire Coordinator on a form provided by the State Fire Coordinator a report stating whether the municipality is levied the one-fourth ( $\frac{1}{4}$ ) mill hereby required or in lieu thereof is allowing such millage to be collected by the county.

**SOURCES:** Laws, 1994, ch. 418, § 6; 1994, ch. 577, § 2; reenacted, Laws, 1996, ch. 313, § 19, eff from and after June 30, 1996.